2003 - 2006 Performance Measure Methodology Report

Introduction

In formulating the Service Plan, BCBC utilizes the *Balanced Scorecard* (BSC) approach to ensure that corporate goals, objectives and strategies are appropriately balanced and integrated. This results in performance measures that are balanced among four perspectives (i.e., *shareholder/financial, customer, internal process* and *learning, people and technology*).

Successful performance management is vital to successful implementation of BCBC's Service Plan. BCBC has instituted a rigorous process to ensure that its reporting is credible, reliable and relevant. BCBC's corporate performance management system provides an integrated systems approach that supports balanced and comprehensive oversight in examining performance issues. It provides quality assurance with respect to the measures and targets; monitors progress towards the attainment of strategic goals and objectives, and informs decision-making so that early corrective action can be taken as required.

This report contains the purpose/descriptions, method of calculation, targets and benchmark information, data source and accountabilities for each of the corporate performance measures used to monitor and report on progress against the strategic objectives, as established in BCBC's 2003-06 Service Plan. It is a "living document" with modifications made over the course of the year to reflect revisions/ improvements made to methodologies and to incorporate updated benchmarking information as it becomes available.

Overview of BCBC's Performance Management System

The following accountabilities are documented for each performance measure:

- *Performance measure reporters* are responsible for establishing methodologies and reporting on the performance measure. These are normally the Directors with responsibility for developing the infrastructure to support the achievement of specific objectives. They work closely with the Strategic Management department to ensure that best practice approaches are applied and that consistency between measures is achieved.
- *Data custodians* are responsible for collecting and managing the data.
- *Performance managers* are accountable for performance delivery against objectives (meeting targets). In some cases this is identified as a shared corporate responsibility.

The *Performance Measurement Committee* (PMC) is comprised of performance measure reporters and other individuals with key responsibilities for strategic objectives. It provides a corporate perspective to the performance management system, and, in particular: reviews and vets quarterly performance data; assesses the appropriateness of performance measures, measurement methodologies, benchmarks and the content of quarterly reports; and brings forward to Executive Committee performance related issues and recommendations regarding modifications of methodologies/benchmarking and corrective action relating to performance.

Quarterly performance measurement reports are prepared by Measure Reporters/Strategic Management department, reviewed by PMC, reviewed/approved by Executive Committee and the Board (including year-end reporting and the performance measurement report section of the Annual Report).

Continuous improvement and evolution of Performance Measures

Each year the measures/targets to be included in the Service Plan are reviewed as part of the annual planning process, and are modified, dropped or added to align with the strategic objectives established in the Plan and reflect new learnings. In addition, BCBC is committed to reducing the number of measures

tracked at the corporate level to focus on the measures of greatest strategic importance to the Corporation (key performance indicators).

What's changed since 2002/03?

The following 2002/03 measures are not included in the 2003-06 Service Plan:

- Percentage of pollution prevention operating practices and infrastructure in place (Substantially complete, continues to be tracked by the Pollutions Prevention & Remediation department.)
- $ volume of P3 contracts (With creation of Partnerships BC, BCBC's focus is on providing support and this is addressed through a "Goal 1" supporting strategy.)
- Human capital return on investment (Because BCBC's results were substantially above comparable organizations, due to BCBC's significant physical assets, comparisons and interpretation of performance were not meaningful.)
- Percentage of employees from designated equity groups (Continues to be tracked by the Human Resources department; given present changes in the Corporation, there is limited ability to affect results.)

In addition, modifications have been made to the following measures:

- The methodology for the "Service Level Agreements" measure has been modified to track % of SLAs completed with "eligible" customers, which include both ministry and non-ministry customers. In 2002/03 the focus was on completion of SLAs with ministry customers. From the initiation of this measure the intention was always to extend coverage to include selected non-ministry customers in the second year.
- "Gains on property sales" has been replaced by "total proceeds on property sales". Total proceeds will provide a better measure than net gains of performance in disposing of real estate assets.
- The methodology for calculation of the "status of risk management activity (contaminated sites)" has been redefined to track the percentage of sites, which have completed the remediation process. Initially this measure had tracked the % of sites, which had entered and/or completed the process.
- The methodology for the "office vacancy rate" measure was modified during 2003/04 (at Q3) to include only market comparable office space. This change facilitates more meaningful market comparisons.
- The general & administrative costs measure (renamed "net customer services & administrative costs) has been redefined to include all corporate overhead costs. This is consistent with the methodology used for internal budgeting purposes, and upon which the Core Services Review commitments relating to overhead cost reductions were based.

Changes planned to align with new 2004-07 Service Plan:

The following measures will not be tracked beyond 2003/04:

- Percentage of customers and associated revenues retained
- Survey rating of extent to which full workplace provisioning solutions meet customer needs
- Return on investment
- Return on equity
- Return on investment for owned market-comparable office buildings
- Corporate operating margin
- Ratio of area managed per operations and maintenance employee

This reflects both changes in corporate objectives, as well an assessment of meaningfulness of the information provided in light of the current direction and changes in the corporate service delivery model. In addition, there are a number of performance measures for which modifications are planned for 2004/05 – either changes in methodologies or introduction of a better or more relevant measure (See Notes under the various measures which will be impacted in 2004/05).

Objective 1.1 Increase customer satisfaction

1.1.a Customer satisfaction index (CSI) rating

Purpose/Description:

Customer satisfaction provides a measure of service quality and of the extent to which services are being delivered in a manner, which meets customers' needs. The customer satisfaction index provides an overall average of customer's ratings of BCBC on five key service attributes (service, quality, responsiveness, choice and total cost). Customer performance ratings on these attributes is considered to be indicative of the level of customer satisfaction.

Methodology:

The data is obtained from an annual customer survey of facilities and program decision makers, carried out by an independent consulting company. Average response ratings (based on a 10 point rating scale) are calculated from responses to questions relating to each of five key service attributes surveyed (i.e. service, quality, responsiveness, choice and total cost). The Customer Satisfaction Index (CSI) rating is the overall average response rating obtained from the five average service attribute ratings, weighted evenly. The average ratings are expressed as percentages of the rating scale (i.e. the 2002/03 CSI rating of 6.6 out of 10 translates into a 66% rating). The survey includes an overall satisfaction question, and the average response rating to that question is also reported.

Note: For the 2004 customer survey, innovation and customer loyalty attributes will also be measured, as industry research suggests a strong correlation of innovation and loyalty to business performance. Further modifications to the survey structure are under development for inclusion in the 2005 survey.

Baseline and Targets:

*Baseline – 2001**	*Actual –2002/03*	*Target –2003/04*	*Target – 2004/05*	*Target – 2005/06*
67%	66%	72%	5% points above 2003/04 rating	5% points above 2004/05 rating

* Baseline survey conducted in March of 2001.

Target Rationale:

A five percentage point increase from the baseline level to the 2003/04 survey (from 67% to 72%) will be challenging in light of the changes facing government. Following 2003/04, the target will be to increase the rating by five percentage points each year for the remaining two years of the plan.

Benchmark:

CSI ratings are compared to the *Citizens First* benchmark (sponsored by the Institute for Public Administration of Canada and the Public Sector Service Delivery Council), which measures Canadian residents' satisfaction with "recently consumed provincial government services." The most recent *Citizens First* satisfaction rating is 65% (from the 2003 Report). While this is the best available benchmark identified to date, work is underway to determine a more representative benchmark for BCBC, i.e. one that provides comparative information for business-to-business service organizations.

Data Source:

Annual customer satisfaction survey conducted by an independent consulting company.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Colin Ewart
- Data Custodian – Colin Ewart
- Performance Manager – Corporate

1.1.b Percentage of customers with Service Level Agreements in place

Purpose/Description:

This measure provides an important indicator of BCBC's commitment to satisfying customer's service needs and contributing to customer success. The development of customized service level agreements (SLAs) with customers is an important milestone toward the Corporation's implementation of the strengthened shared services model. For the first two years, this measure will track the extent to which these agreements have been developed and implemented with our customers. Once SLAs are in place, a new measure will be developed to track the extent to which the Corporation is fulfilling SLA commitments.

Methodology:

The measure tracks the number of SLAs signed by eligible customers, divided by the total number of eligible customers. In the first year (2002/03) the measure only tracked ministry SLAs. For 2003/04 the measure is broadened to include SLAs with:

(i) all customers with significant revenues (i.e. greater than $300,000 annually) that are required to use BCBC as their accommodation service provider ("mandated" customers); and,

(ii) six selected non-ministry customers with significant revenues, excluding customers who are not provided account management services

Note: The Corporation's agreement framework is currently being reviewed and refined. This is expected to result in modification of this measure and its methodology for 2004/05.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
0%	45% Ministry customers	100% eligible customers	New measure developed / baseline established	Target will be set in 2004/05

Target Rationale:

To provide customers with the best possible service under the Corporation's enhanced shared services model, BCBC is committed to establishing SLAs with each customer. The rationale was to begin with agreements with ministry customers, followed by agreements with selected non-ministry customers in the second year.

Benchmark:

Not applicable (unique strategic measure)

Data Source:

Manual tracking by reporters in Customer Advisory Services.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Cory Smith (Patrick Gribbon)
- Data Custodian – Cory Smith (Patrick Gribbon)

- Performance Manager – Cory Smith

Objective 1.2 Retain customers

1.2 Percentage of customers and associated revenues retained

Purpose/Description:

Retention is considered a representation of customer loyalty, which provides another indication of the extent to which the Corporation is contributing to customer success. Customer retention is presented in terms of both the number of existing customers retained and their associated revenues. Thresholds have been set to include customers that account for over 95% of revenues.

Methodology:

This measure tracks the percentage of Ministry and non-Ministry customers retained (reported quarterly), and the associated rate of revenue retention (reported annually at Q4). The rates are expressed as net of government-directed restructuring or cost reduction measures.

Customers are defined as:

- All Ministries and Health Authorities;
- Agencies/public bodies required to use BCBC as their accommodation service provider (as per the Core Policy Manual), with revenues greater than $300,000;
- Other non-ministry customers with recurring revenues greater than $250,000, excluding customers who are not provided account management services.

The baseline level is set at the beginning of each year and customers are monitored against that level throughout the year.

Baseline and Targets: (note: targets refer to customer retention)

Baseline –2002/03	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
100%	95%	95%	97%

Target Rationale:

A 95% retention level is considered a good indication of strong customer loyalty. Note that the baseline customer count is set at the beginning of each year, and the retention rate is monitored against that baseline each year.

Benchmark:

Not available (unique to BCBC). Benchmarked internally against past performance.

Data Source:

Data are obtained from the financial system and manual tracking by reporters.

Reporting Frequency:

Quarterly (customers)

Annually (customers & revenues)

Responsibilities:

- Measure Reporter – Cory Smith (Patrick Gribbon)
- Data Custodian – Cory Smith, Craig Paterson (Patrick Gribbon)
- Performance Manager – Cory Smith

Objective 1.3 Meet customer needs for choice/full workplace provisioning

1.3.a Survey index ratings for customer choice

Purpose/Description:

Customer ratings of BCBC with respect to choice provides an important indication of the extent to which customers perceive their needs for greater choice have been provided by BCBC. This measure represents the average rating obtained to questions in the annual customer survey, relating to the "choice" service attribute.

Methodology:

The survey index rating for customer choice is the average/mean rating of responses (based on a 10 point rating scale) to questions from the annual customer survey which relate to customer satisfaction with the extent of choice offered by the Corporation, expressed as a percentage of the rating scale (i.e., the CSI rating on the "choice" service attribute).

Note: This measure will be replaced in 2004/05 by a new innovation index rating being developed for inclusion in the 2004 Customer Survey (see measure 1.1a), as the objective against which this measure tracks performance, has been modified in the 2004/05 Service Plan to focus on innovation and cost effective accommodation solutions. Choice is being addressed through the new agreements framework, and identification of choice options in the new Service Catalogue.

Baseline and Targets:

Baseline – 2001	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
64.5%	64.9%	70%	5% points above 2003/04 rating	5% points above 2004/05 rating

Target Rationale:

The targets established are considered to represent a significant improvement over the baseline level, and a strong indication that customers' needs for choice are being realized.

Benchmark:

Not available (unique strategic measure).

Data Source:

Annual customer satisfaction survey conducted by an independent consulting company.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Colin Ewart
- Data Custodian – Colin Ewart
- Performance Manager – Corporate

1.3.b Survey rating of extent to which full workplace provisioning solutions meet customer needs

Purpose/Description:

To meet customer needs for full workplace provisioning, the Corporation will work with other agencies to provide integrated solutions for customers (e.g., space that includes workplace components such as furniture, telephones, and desktop technology). This measure is intended to provide an indicator of the degree to which solutions provided met customers' needs.

Methodology:

As part of post-project assessments of projects piloting the full workplace provisioning (FWP) service, customers are surveyed regarding the extent to which full workplace provisioning services offered have fulfilled their needs. The data is obtained from survey results provided by an independent consultant, utilizing a survey instrument customized for use on the FWP pilots. The survey instrument developed during 2003/04 included questions based on the theme areas of the 5-star customer satisfaction model (see description of service attributes included in the Customer Satisfaction Index - measure 1.1a). The survey questions were specifically designed to obtain qualitative feedback to assist in development of the new FWP service line. A decision was made not to include quantitative (rating) questions in the surveys of the initial pilot projects.

Note: While the original intention had been to obtain a quantitative measure of results, the focus during the year was on obtaining qualitative feedback to assist in development of this new service line. In 2004/05 customer feedback will be tracked internally, in support of further development of the service line, and the post-project survey instrument will also be developed further, including the addition of questions allowing for measurement of key service attributes.

Baseline and Targets:

Actual – 2002/03	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
n/a	Baseline established	tbd	tbd

Target Rationale:

As this is a new service offering, it was not considered feasible to establish performance targets until after pilot projects had been surveyed and a baseline established. As noted above, a decision was made to focus in 2003/04 on development of the service line, and the resulting survey instrument developed did not include questions that provide quantifiable ratings.

Benchmark:

Not applicable (unique strategic measure)

Data Source:

Post-project survey conducted by an independent consultant (IPSOS-ASI).

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Bruce Rasmussen (David Bellows)
- Data Custodian – Colin Ewart
- Performance Manager – Bruce Rasmussen

Objective 1.4 Achieve BOC savings

1.4 Total annual BOC savings realized from government restructuring

Purpose/Description:

The Corporation has been appointed by government to strategically manage ministry accommodation restructuring requirements in response to the Core Services Review and budget process by leading the Government Accommodation Restructuring Initiative (GARI). This measure tracks fiscal year Building Occupancy Charges (BOC) reductions realized for ministry customers from GARI projects. This measure provides an indicator of how well BCBC has managed GARI.

Methodology:

An ICON report is utilized to subtract all occupied charge types from all vacant charge types to calculate BOC savings per ministry resulting from GARI projects (cost reductions relative to 2001/02 BOC levels). The individual ministry figures are totaled to produce overall BOC savings. Both fiscal year and annualized BOC savings will be tracked and reported. Fiscal year savings refers to the amounts saved during a fiscal year; annualized savings refer to the value of those on-going savings when they are applied over a full twelve-month period. Quarterly year-to-date reporting will include both actual savings realized (i.e. amounts which have been saved as a result of GARI projects implemented to date) and identified savings (i.e. forecast savings from projects in the GARI system and which are expected to be implemented during the current fiscal year). At year-end only actual savings realized will be reported.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
$0	$20.2M (realized in 02/03) $26.5M (annualized value)	$55M	$60M	N/A[1]

Target Rationale:

The annual targets are cumulative from the initiation of the initiative on April 1, 2002 (i.e., for 2003/04: a target of $55 million in fiscal year savings from both (i) GARI projects implemented in 2003/04 plus (ii) the impact of annualized savings realized from GARI projects implemented in 2002/03; and for 2004/05: a target of $60 million in fiscal year savings from the annualized impact of savings realized from GARI projects implemented in 2002/03 and 2003/04). The targets were set in January 2002 based on the best available indications of the magnitude and timing (i.e., indications that restructuring activity would be front-end loaded) of the restructuring anticipated, with input from ministries, Public Service Employee Relations Commission, the Premier's Office and Treasury Board Staff.

Note: Although the targets established in the Service Plan relate to fiscal year savings, Treasury Board reporting focuses on achievement of **annualized** BOC savings targets, within the two-year GARI funding horizon: $30M in annualized BOC savings (by the end of 2002/03) and $60M in annualized BOC savings (by the end of 2003/04).

Benchmark:

Not applicable (unique strategic measure).

Data Source:

ICON report tracking GARI projects.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Bruce Rasmussen (Lorraine McMillan)
- Data Custodian – Bruce Rasmussen (Lorraine McMillan)
- Performance Manager – Bruce Rasmussen

[1] The Government Accommodation Restructuring Initiative (GARI) is a two-year initiative with targeted ongoing annualized savings of $60 million to be realized by 2004/05. Since the initiative will conclude in 2004/05, this performance measure will not be tracked in 2005/06.

Objective 2.1 Achieve targeted financial results

2.1.a Net income

Purpose/Description:

Net income is a common financial measure of an organization's performance in managing corporate profitability/ "bottom line." It provides an indicator of the Corporation's success in increasing shareholder value.

Methodology:

This measure is tracked in two ways: total net income and income before gains and other items (i.e. income related specifically to normal operations). Net income is calculated as revenues (including gains on sale of properties) less expenditures. Other items include debt defeasance costs, restructuring costs and other non-recurring costs.

Baseline and Targets:

	Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
Net Income	$37.3M	$52.1M	$38.1M	$49.2M	$53.1
Income before gains and other items	$36.1M	$36.9M	$23.0M	$31.8M	$34.2M

Target Rationale:

The targets were derived from the corporate budget and three-year financial outlook. The budget process takes into account expected outcomes/performance on planned initiatives/activities to be undertaken in support of strategic objectives and strategies, as well as forecasts of the impact of potential revenue and expenditure risks and opportunities identified/managed.

Benchmark:

No external benchmark available. Benchmarked internally against past performance.

Data Source:

Financial system.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Craig Paterson
- Data Custodian – Craig Paterson (Dean Merrett)
- Performance Manager – Corporate

2.1.b Return on investment

Purpose/Description:

The measure indicates the gross return (before financing costs) generated on the Corporation's assets. It is a common financial measure of an organization's performance in managing corporate assets, and provides an indicator of the Corporation's success in increasing shareholder value.

Methodology:

ROI is calculated as income from operations (revenue less direct expenses and amortizations of capital major asset maintenance) divided by average net asset value over the period (expressed as a percentage).

Baseline and Targets:

Baseline –2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target –2005/06*
8.1%	8.0%	6.5%	7.0%	7.3%

Target Rationale:

As with the net income targets, the targets were derived from the corporate budget and three-year financial outlook. The lower targets relative to the baseline reflects changes in the nature of the Corporation's business, in particular shifts is revenue composition, with a lower proportion of future revenues coming from rents.

Benchmark:

No external benchmark available. Benchmarked internally against past performance.

Data Source:

Financial system.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Craig Paterson
- Data Custodian – Craig Paterson (Dean Merrett)
- Performance Manager – Corporate

2.1.c Return on equity

Purpose/Description:

The measure indicates the return being generated on the shareholder's equity investment in the Corporation. It is an indicator of the Corporation's success in increasing shareholder value.

Methodology:

ROE is calculated as total net income divided by average equity (average of beginning of year and end of year balances) over the period (expressed as a percentage). Equity consists of Contributions from the Province together with Retained Earnings.

Baseline and targets:

Baseline –2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
13.2%	16.6%	11.7%	13.9%	13.8%

Target rationale:

As with the net income targets, the targets were derived from the corporate budget and three-year financial outlook.

Benchmark:

No external benchmark available. Benchmarked internally against past performance.

Data Source:

Financial system.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Craig Paterson
- Data Custodian – Craig Paterson (Dean Merrett)
- Performance Manager – Corporate

Objective 2.2 Enhance overall performance of owned portfolio

2.2 Return on investment for owned market-comparable office buildings

Purpose/Description:

When benchmarked against industry returns, this measure provides an indication of the extent to which the Corporation's portfolio of owned office buildings are generating acceptable financial returns. It provides an indicator of the Corporation's performance in managing these assets and its success in increasing shareholder value.

Methodology:

Return on investment is calculated as net income from operations (revenue less direct expenses and amortizations of capital major asset maintenance) divided by estimated market value. The rate for the combined portfolio, broken into "market type" (e.g., core urban, regional and remote) categories, is reported (as opposed to the average performance of individual buildings) in order to produce a measure that better reflects disparities between larger and smaller markets. Only owned market-comparable office buildings are included in this measure.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
9.3 Core Urban	9.2 Core Urban	At market	At market	At market
9.8 Regional	10.0 Regional			
8.9 Small/Remote	9.3 Small/Remote			

Target Rationale:

The target will be to achieve market returns relevant to each market type: core urban, regional, and small/remote markets.

Benchmark:

Market performance (i.e., benchmark) data is obtained from relevant market yield studies (such as, Carmichael Wilson Property Consultants Ltd.). Such studies utilize property sales data, one of the best sources of empirical information on the relationship between income and asset value in the market.

Data Source:

Portfolio Management department and the Financial System

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Terry Gagne (Doug Shepherd)
- Data Custodian – Craig Paterson and Terry Gagne (Doug Shepherd)
- Performance Manager – Terry Gagne

Objective 2.3 Maximize value on properties sold

2.3 Total proceeds on properties sold

Purpose/Description:

This measure provides an indication of the value obtained from the disposition of owned real estate assets. It provides an indicator of the Corporation's performance in managing its owned portfolio and its success in increasing shareholder value.

Methodology:

Total proceeds are calculated as the total gross cash proceeds from properties sold and closed during the fiscal year.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
$9.7M	$101.7M	$30.0M	$30.0M	$32.0M

Target Rationale:

The targets were derived from the corporate budget and three-year financial outlook. Targets are developed within the context of the Corporation's overall portfolio management strategy. This strategy incorporates portfolio ownership decisions on behalf of the shareholder and is heavily influenced by individual customer requirements.

Benchmark:

Not applicable (unique to BCBC).

Data Source:

Financial System.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Craig Paterson
- Data Custodian – Craig Paterson (Dean Merrett and Wayne Ford)
- Performance Manager – Wayne Ford (Terry Gagne)

Objective 2.4 Maintain office vacancy rates below market

2.4 Office vacancy rate

Purpose/Description:

When compared against industry benchmarks, this ratio provides an indication of the Corporation's effectiveness in ensuring that the office portfolio (owned and leased) is effectively utilized. It provides an indicator of BCBC's performance in managing its office portfolio.

Methodology:

This measure tracks the gross office vacancy rate. It is calculated as the ratio of vacant market-comparable office space to total rentable market-comparable office space in the Corporation's portfolio (owned and leased), expressed as a percentage. Vacant space is derived by subtracting total agreements for space from the total inventory of available rentable space. Included in the volume of vacant space is space that has been assigned to customers and not yet occupied, and

also space that is either pending sale or lease termination/buyout. (This methodology matches the generally accepted marketplace definition.)

Note: This methodology was modified during the year to exclude space used for office purposes in special purpose facilities (e.g. "office" space in correctional facilities and trailers on highways yards), which up to Q3 had been included in the calculation. This change was made in order to facilitate meaningful comparison and benchmarking with the private sector.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
1.88%	4.45%	-	Less than half of market	Less than half of market

Target Rationale:

Given the extent of government restructuring currently underway, it was not meaningful to set a target for 2003/04. However, the Corporation is committed to maintaining a vacancy rate of less than one half the market rates for 2004/05 and 2005/06.

Benchmark:

A benchmark is obtained by reference to Colliers statistics for Victoria and Vancouver and to the semi-annual Carmichael Wilson "BC Property Market Study" commissioned by the Pricing Department.

Data Source:

Portfolio & Inventory Management Quarterly Available Space Report.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Terry Gagne
- Data Custodian – Terry Gagne
- Performance Manager – Terry Gagne

Objective 2.5 Reduce/manage environmental risks/liabilities

2.5 Status of risk management activity (contaminated sites)

Purpose/Description:

This measure monitors the progress of sites from the preliminary investigation stage, to the development of plans and to eventual remediation. The measure provides an indication of the extent to which environmental risks to the Corporation are managed and reduced, and of the Corporation's performance in managing its portfolio.

Methodology:

This measure provides quarterly 'snapshots' of BCBC activities under its Pollution Prevention and Remediation Program (PPR) in managing contaminated sites (utilizing seven status categories). These activities begin with independent preliminary and detailed site investigations (Category 1 "under investigation") that are conducted by external professional consultants. These investigations determine whether the sites are contaminated, and provide appropriate recommendations for remediation (Category 2 "identified and prioritized") or are not contaminated and do not require remediation (Category 7). All contaminated Highways Yards are also filtered through a decision matrix to evaluate and weight each site on a number of parameters including appraised value, remediation cost, present extent of contamination and priority, managing future

risks and liabilities, location, and external demand – prior to proceeding into the remediation phase.

The intention is to ensure that decisions to expend financial resources to remediate contaminated sites are in the overall best interests of the Shareholder. Therefore, for some sites, a decision is made to defer remediation and instead implement ongoing risk management and monitoring programs (Category 4 "risk managed and monitored"). For those sites where remediation is recommended, risk management or remediation plans are developed (Category 3) beginning with the highest priority sites, and then, when appropriate, proceed with (Category 5 "under remediation") and complete site remediation (Category 6). As sites proceed through these steps, the risks to BCBC are progressively reduced.

Note: The sites tracked under PPR are those where, due to the nature of operations on those sites, a high risk of contamination exists. Environmental investigations are also routinely conducted as part of the due diligence activities required prior to the sale of surplus properties. In a few cases, this leads to the identification of some contamination on properties, which are not included in the sites tracked as part of this measure, because they do not typically constitute high-risk operations. Any contamination encountered is remediated prior to sale. These cases will be identified in the Discussion of Activity, but will not be included in the calculation of performance against the target.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
72% remediation not applicable / complete / underway / planned	92% remediation not applicable / complete / underway / planned	70% remediation complete or not required / planned	80% remediation complete or not required / planned	90% remediation complete or not required / planned

Target Rationale:

Initially targets were established for the percentage of sites, which had entered the remediation process. As the program is now fairly far advanced, with most sites having already entered the process, the focus in reporting has shifted, starting with 2003/04, to monitoring the completion rate, i.e., % of sites in the "remediation complete or not required / planned" categories (Categories 4, 6 and 7). At the end of 2002/03, 59% of sites had completed the remediation process. Increasing the target to 90% by 2005/06 represents significant progress.

Benchmark:

Not applicable (unique strategic measure).

Data Source:

Site Remediation Summary Report maintained by Pollution & Remediation department.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Paul Beckwith (Orest Maslany)
- Data Custodian – Paul Beckwith (Michael Masson)
- Performance Manager – Paul Beckwith

Objective 2.6 Increase support to Health, Education & other sectors

2.6 Number of Agreements / Memoranda of Understanding signed in Health, Education and other government sectors

Purpose/Description:

This measure provides an indication of the Corporation's performance in increasing support to the broader public sector, as per its Core Services Review commitment. Tracking the number of new or renewed longer term (one year or more) MOUs or other Agreements for service provision signed with customers in the broader public sector, provides an indirect, output measure of success in developing and maintaining business relationships with these customers.

Note: In 2004/05 this measure will be replaced with an outcome measure (revenue from professional services).

Methodology:

An Agreement/Memorandum of Understanding (MOU) is a contractual relationship with a customer to provide a service outside of the general government accommodation policy requirements (as set out in the Core Policy Manual) for one year or more. Agreements/MOUs are counted once they have been signed. Total number of Agreements/MOUs are reported, while details by sector/customer are reported in the "variance/discussion of activity" discussion.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
-	6	4	4	4

Target Rationale:

Establishing four new long-term agreements each year from 2003 to 2006 will be a significant accomplishment.

Benchmark:

Not applicable (unique strategic measure).

Data Source:

Manual tracking by the Customer Advisory Services.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Cory Smith (Patrick Gribbon)
- Data Custodian – Cory Smith (Patrick Gribbon)
- Performance Manager – Cory Smith

Objective 3.1 Increase use of the private sector

3.1 Percentage of corporate expenditures with the private sector

Purpose/Description:

This measure provides an indicator of the Corporation's performance in increasing its use of the private sector in service delivery. It tracks the percentage of operational expenditures, which represent dollars expended on goods and services purchased from the private sector.

Methodology:

The ratio of dollars expended on goods and services purchased from private sector service suppliers, contractors and manufacturers, relative to total expenditures (including internal staffing costs), expressed as a percentage. It is tracked in two ways. The first method includes all private sector expenditures and internal staffing costs (excluding interest charges, amortization, property grants/taxes and BC Hydro costs). The second method excludes, in addition, capital expenditures and third party lease payments.

Baseline and Targets:

	2001/02 Baseline	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
Total expenditures	84.8%	84.1%	85%	90%	90%
Excluding capital exp. & 3rd party lease payments	67.2%	68.1%	68%	78%	78%

Target Rationale:

Meeting the targets will indicate that the Corporation has achieved its goal to increase its use of the private sector. It is expected that attainment of the targets will require significant re-engineering of the corporate structure and innovative approaches to cost control and service delivery, with most of the upwards movement coming in 2004/05.

Benchmark:

No external benchmark available. Benchmarked internally against past performance.

Data Source:

Financial System.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Craig Paterson
- Data Custodian – Craig Paterson
- Performance Manager – Corporate

Objective 3.2 Increase efficiency/decrease costs

3.2.a Net customer services and administrative costs

Purpose/Description:

This financial measure is one indicator of how well the Corporation manages its overhead costs. Net customer services and administrative costs include costs relating to functional activities within the Corporation that are not directly recovered from customers.

Methodology:

Net customer services and administrative (CS&A) costs comprise all costs relating to customer services, corporate general and administrative functions and the non-recoverable component of service delivery and supply management. Included are all costs not directly charged to building portfolio or customer projects and professional fees, i.e. total costs of President's Group, Corporate Services Group, Corporate Communications, as well as net costs of service delivery/supply management departments.

Note: This measure (previously "general and administrative costs") was redefined during 2003/04 to include all corporate overhead costs. This is consistent with the methodology used for internal budgeting purposes, and upon which the Core Services Review commitments relating to overhead cost reductions were based. It was also renamed to avoid confusion with general & administrative costs, which are reported in the financial statements.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
$39.300M	$33.769M	10% decrease from 2001/02 base	20% decrease from 2001/02 base	20% decrease from 2001/02 base

Target Rationale:

The targets were derived from the corporate budget process, which takes into account expected outcomes/performance on planned initiatives/activities to be undertaken in support of strategic objectives and strategies. They reflect commitments made by the Corporation in its 2002/03 Core Services Review. Success in achieving these targets will be dependent on success of planned corporate restructuring and business development activities.

Benchmark:

No external benchmark is currently available. Benchmarked internally against past performance.

Data Source:

Financial System.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Craig Paterson
- Data Custodian – Craig Paterson
- Performance Manager – Senior Management

3.2.b Operations and maintenance costs per square metre for owned office buildings

Purpose/Description:

This measure provides an indication of how well the Corporation manages costs so as to increase shareholder value. It includes all costs associated with operating and maintaining a building, excluding structural maintenance and taxes. It is presented in terms of costs per square metre for the office-building component of the Corporation's portfolio to allow benchmark comparisons to be made.

Methodology:

For owned office buildings (commercial office space, excluding courthouses), annual O&M costs are divided by the year-end building area. O&M costs include all costs of operating and maintaining owned buildings, excluding minor client requests, trade equipment, structural landlord maintenance, taxes and insurance.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
$53.96/$m^2$	$48.51/ m^2 18% < benchmark	$55.42/ m^2 5% < benchmark	At least 5% < benchmark	At least 5% < benchmark

Target Rationale:

O&M costs of 5% less than market by 2004/05 indicates that the Corporation is efficiently operating and maintaining buildings (assuming comparable service levels). The benchmark upon which the target is based is the most recent BOMA National Private Sector benchmark (see below).

Benchmark:

The BOMA National Private Sector market figure is considered the best available market comparable benchmark. The 2003 BOMA benchmark (based on 2002 data) is $\$58.34/m^2$ ($5.42/sq. ft.). Results are also benchmarked internally against past performance.

Data Source:

O&M costs are generated by the financial system, and the building area component from the inventory system maintained by Portfolio & Inventory Management.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Barry Atchison (Effie Fahay)
- Data Custodian – Craig Paterson and Terry Gagne
- Performance Manager – Barry Atchison

3.2.c Lease costs per square metre

Purpose/Description:

This is a cost effectiveness measure. It provides an indication of the Corporation's effectiveness in negotiating office leases on behalf of its customers by comparing BCBC's net effective office lease rates with market rates for comparable leases.

Methodology:

The average cost of BCBC five-year office leases (new ones and renewals), negotiated in the previous fiscal year in selected centres in the Lower Mainland, Victoria and Interior, are compared to the cost of market leases negotiated during the same period for equivalent space. These represent only a small percentage of BCBC leases, chosen on the basis of parameters that allow market comparisons to be made. The comparator used is the net effective lease rate (NER), which is the cost per square metre to lease space, excluding operating and other related costs (taxes and leasing service fees). Although it represents only a portion of the costs of leased space to the customer, it is the comparator, which is generally utilized in the marketplace for the purpose of benchmarking lease rates.

Baseline and Targets:

	Actual – 1998/99*	*Target** – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
Lower Mainland	$\$117.82/m^2$	< benchmark	-	< benchmark
Victoria	$\$112.70/m^2$	< benchmark	-	< benchmark
Interior	$\$115.82/m^2$	< benchmark	-	< benchmark
Overall (Province)	$\$114.85/m^2$	< benchmark	-	< benchmark

* Last year for which a Competitive Lease Benchmarking Study was undertaken (by Colliers, April 2000). At that time, BCBC's net effective lease rate was found to be "at par" with the market benchmark.

** Benchmark data obtained from 2003/04 benchmarking study will reflect average net effective lease rates of leases negotiated in 2002/03.

Target Rationale:

BCBC is considered effective at negotiating office leases (new and renewals) if its costs are lower than market.

Benchmark:

An independent Competitive Lease Benchmarking Study is commissioned by BCBC to compare the average NERs of office leases negotiated by BCBC with estimated market NERs for comparable leases, in selected locations across the Province. BCBC is committed to conducting this study at least every second year, beginning in 2003/04, and is considering options for obtaining annual benchmarking information.

Data Source:

Competitive Lease Benchmarking Study conducted by an independent consulting company.

Reporting Frequency:

Biennially.

Responsibilities:

- Measure Reporter – Dave Wilson (Cheryl Sampson)
- Data Custodian – Dave Wilson (Cheryl Sampson)
- Performance Manager – Dave Wilson

3.2.d Corporate operating margin

Purpose/Description:

This measure provides an indicator of the Corporation's performance in managing the corporate "bottom line" and increasing shareholder value. It is a measure of the gross profitability of operating activities before financing costs.

Methodology:

Operating margin is calculated as income from operations (revenues less expenses – including amortization but excluding interest expense), expressed as a percentage of revenues. (Note: Each $1.0M reduction in income from operations results in a decrease of approximately 0.25% in operating margin.)

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target –2004/05*	*Target – 2005/06*
16.6%	16.0%	12.9%	14.8%	15.2%

Target Rationale:

The targets were derived from the corporate budget process, which takes into account expected outcomes/performance on planned initiatives/activities, and also reflects the expected impact of the shift from the Corporation's primary role of landlord and service provider to that of advisor and manager of service delivery. ***Note:*** The original 2003/04 target (13.4%) was revised downwards due to reclassification of certain revenue and expenditure items.

Benchmark:

No benchmark available. Benchmarked internally against past performance.

Data Source:

Financial System.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Craig Paterson
- Data Custodian – Craig Paterson (Dean Merrett)
- Performance Manager – Corporate

3.2.e *Ratio of area managed per operations and maintenance (O&M) employee (m^2/employee)*

Purpose/Description:

This is a cost efficiency measure, which provides an indication of the efficiency of the Corporation's property management function.

Methodology:

Total rentable area managed as reported in the inventory system by Portfolio & Inventory Management is divided by number of employees (including temporary employees) with direct operations & maintenance responsibilities. The number of employees figure is calculated by taking the total number of employees in Supply Management with operations and maintenance responsibilities, and subtracting administrative and overhead staff (staff in Property Management departments), and staff who are dedicated exclusively to project work. All except the latter figure (project staff) can be generated directly from the Human Resource Information System (HRIS). The project staff figure is forecast annually as part of the budget process by querying district directors; this component of the calculation remains static unless adjustments are necessary.

Note: With the outsourcing of property management services effective April 1, 2004, this measure will no longer be relevant. A new measure will be developed to track the performance of the outsource service provider.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
6,275 m^2/emp.	7,414	7,250 (5% > 02/03 target)	7,600 (5% > 03/04 target)	8,000 (5% > 04/05 target)

Target Rationale:

The targets are based on a 10% increase in 2002/03, and 5% increases in the following years.

Benchmark:

Use of BOMA data for benchmarking purposes was considered, but it was determined that this was not feasible as BOMA has an insufficient number of respondents providing data on numbers of O&M employees to produce statistically valid results. Results are internally benchmarked against past performance.

Data Source:

Total rentable area as reported in the inventory system maintained by Portfolio & Inventory Management and employee numbers from the Human Resource Information System.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Barry Atchison
- Data Custodian – Terry Gagne and Wayne Jensen
- Performance Manager – Corporate

3.2.f Energy intensity (MJ/m^2)

Purpose/Description:

The measure tracks energy consumption on a per square metre basis for BCBC's significant buildings, providing an indication of the Corporation's energy efficiency, and thereby the effectiveness of its energy management program.

Methodology:

For each energy type, energy consumption figures from utility invoices from the significant energy consuming buildings BCBC owns and has on net leases are collected. These data are then normalized for the number of degree-days for each building location.

a) For each energy type:

- Take the normalized energy consumption (e.g. kWh, litres, Giga Joules) in the sample buildings
- Divide by the number of square meters in the sample buildings to determine the energy intensity
- Convert this energy intensity figure to Mega Joules using the appropriate conversion factor (e.g. between Mega Joules and kWh, litres or Giga Joules)

b) Sum the figures across energy types to derive overall energy intensity (i.e., MJ/m^2).

Baseline and Targets:

Baseline – 2000	*Actual 2001*	*Actual 2002*	*Target 2003*	*Target 2004*	*Target 2005*
1283	1229	1205	1208	1185	1155

Target Rationale:

The target reductions are based on estimates of the impact of projected retrofit expenditures to be undertaken as part of BCBC's energy management program.

Benchmark:

Benchmarked against over 20 years data (BCBC's Energy Management Program has been in place since 1978).

Data Source:

Manual tracking by Technical Value of energy consumption (from utility invoices), utilizing area data from the inventory system maintained by Portfolio & Inventory Management.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Orest Maslany
- Data Custodian – Orest Maslany (Bernie Gaudet)
- Performance Manager – Jack Meredith

Objective 3.3 Implement cost-effective IT solutions

3.3 Percentage of customers indicating that BCBC's information technology solutions fulfilled their expectations

Purpose/Description:

This measure provides an indication of the Corporation's success in improving customer efficiency and effectiveness through information technology solutions, by surveying customers that have been using new information technology solutions.

Methodology:

Customers (internal and external) are surveyed three to six months following the introduction of information technology solutions to assess the extent to which those solutions fulfilled their predefined expectations. In instances where there is a well-defined customer segment, an email is sent to applicable users to invite their participation, with a link to an online questionnaire. In other cases where it is not possible to generate a list of potential users, users are invited to participate when they access the solution/tool (three to six months after it has been "live"); again, a link is provided to an online survey.

The survey includes an overall satisfaction question (in relation to expectations), as well as questions concerning the tool's effectiveness in saving time and in supporting informed decisions. The questions focus on the use of the application of packaged software applications rather than on the BCBC's IS department's contribution, methodology or development efforts. Results reported are the average of survey response ratings to the overall satisfaction question, expressed as a percentage of the rating scale (based on a rating scale from 1 to 10 where 1 = very dissatisfied and 10 = very satisfied).

Note: The objective against which this measure tracks performance has been revised in the 2004-07 Service Plan to focus on changes to internal processes, and this measure will therefore be replaced in 2004/05 with a broader process-related measure.

Baseline and Targets:

Actual – 2002/03	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
68%	Establish baseline	Tbd	tbd

Target Rationale:

Initial survey results obtained in 2002/03 were considered inadequate for use in establishing a baseline. The intent at the time the 2003-06 Service Plan was developed was to use the 2003/04 survey results to establish a baseline, then set targets.

Benchmark:

Not applicable (unique strategic measure).

Data Source:

Customer satisfaction surveys, administered and analyzed by Information Systems, three to six months following introduction of IT solutions, via online questionnaire.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Cindy Turner
- Data Custodian – Cindy Turner
- Performance Manager – Cindy Turner

Objective 4.1 A skilled and diverse workforce

4.1 Investment in training per employee

Purpose/Description:

This measure demonstrates the investment the Corporation is making in employee training on a per employee basis. Given the current labour shortage and an increasingly competitive marketplace, this measure is an important indicator of the prominence of training in the Corporation. Efforts are made to benchmark performance against industry standards.

Methodology:

This performance measure tracks average training costs (internal and external) per employee. This figure includes only direct training costs and not costs for internal staff time; as a result, this figure is somewhat conservative in comparison to other agencies that account for training costs more broadly (e.g., Canadian Institute of Business and Human Capital Development/Saratoga). Inclusion of indirect training costs would better reflect the full training investment cost and facilitate benchmarking.

Note: While the investment in training will continue to be tracked internally, this measure will be replaced in 2004/05 with a new corporate measure, which focuses on training provided to employees in specific key competencies required to support the new business/service model.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
$1,540	$1,343	$1,600	$1,800	$1,600

Target Rationale:

Targets were set to increase the average training investment during the most significant period of change (2004/05).

Benchmark:

BCBC compares its results against industry benchmark information as reported by the Canadian Institute of Business and Human Capital Development/Wynford Group (Saratoga). The most recent average investment figure reported for professional services organizations was $2,691, based on 2002 results contained in the Institute's 2003 Report.

Note: The Institute's methodology for training costs does not correlate directly to the BCBC methodology. (Saratoga Definition: Training cost includes labour and materials for diagnosis, development, delivery and evaluation of structured or formal training programs. The cost of training includes the costs associated with travel, meals, materials, printing, equipment, facilities, and the salary and benefits allocation of the trainers and *of the participants for the time they dedicate to training.*)

Data Source:

Human Resource Information System.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Wayne Jensen
- Data Custodian – Wayne Jensen (Edie Dittman)
- Performance Manager – Corporate

Objective 4.2 Employees understand their contribution to the Plan

4.2 Percentage of employees indicating a strong understanding of how their job fits into the attainment of corporate objectives

Purpose/Description:

This measure provides an indication of the extent to which employees understand their role in achieving corporate objectives. A high level of employee understanding is considered vital to the successful implementation of the corporate strategies, which support attainment of objectives set out in the Service Plan.

Methodology:

This measure tracks the percentage of respondents to the (biennial) employee survey who selected "agree" or "strongly agree" to a single question included in the survey, which is designed to ensure employees understand how their job fits into the attainment of corporate objectives. The question included in the 2004 Employee Survey is: "My supervisor/manager ensures I know what I'm expected to do to help BCBC achieve its business goals."

Baseline and Targets:

Baseline – 2000	*Actual – 2003*	*Target – 2004*	*Target – 2005*	*Target – 2006*
60%	n/a	65%	-	75%

Target Rationale:

The target is to increase employee understanding by 15 percentage points (from 60% to 75%), a significant improvement. The interim targets recognize that this level of improvement will be phased in over the life of the plan. The targets have been realigned to reflect the decision in 2002/03 to defer the biennial survey to 2004.

Benchmark:

No Work Canada benchmark exists for this measure.

Data Source:

Independent Employee Opinion Survey.

Reporting Frequency:

Annually. (Decision taken during year to conduct an annual survey – previously done biennially.)

Responsibilities:

- Measure Reporter – Wayne Jensen
- Data Custodian – Wayne Jensen (Jackie Smith)
- Performance Manager – Corporate

Objective 4.3 Full employee participation in PDP

4.3 Overall PDP participation rate

Purpose/Description:

This measure tracks the employee participation rate in the Corporation's Performance Development Process (PDP). The PDP is BCBC's key initiative for ensuring that individuals are working to achieve individual performance goals consistent with corporate goals; therefore, the Corporation is targeting full participation by 2004/05.

Note: In 2004/05 the PDP will be replaced by a new Performance and Compensation Management System, which links employees' performance to compensation and recognition.

Methodology:

PDP participation consists of: 1) developing an individual performance plan, consisting of a performance plan (goals) and a learning plan; and 2) completing and submitting a year-end summary against the plan. While the participation rate is calculated for both of these categories, the targets established in the Plan relate only to year-end summary submission. Criteria have been designed to exclude individuals who would not be expected to participate (e.g., employees on leave, new employees and employees taking early retirement).

Note: Since year-end summaries are not submitted until after the March 31 fiscal year end (cut-off date is May 31), this rate will always lag the rate for learning plan submission, i.e., the participation rate reported for 2003/04 is the % of 2002/03 PDP year-end summaries submitted.

Baseline and Targets: (note: targets relate to year-end summary submission)

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
73%	86%	95%	100%	100%

Target Rationale:

The targets relate to the year-end summary submission component of the measure. Given that the 2001/02 rate of year-end summary submission was 73%, and the 2002/03 rate was below the 90% target, it is considered an aggressive target to achieve 95% by 2003/04, working towards full participation by 2004/05.

Benchmark:

No benchmark currently available.

Data Source:

Human Resource Information System.

Reporting Frequency:

Annually.

Responsibilities:

- Measure Reporter – Wayne Jensen
- Data Custodian – Wayne Jensen (Edie Dittman)
- Performance Manager – Corporate

Objective 4.4 Increase employee satisfaction

4.4.a Percentage of employees indicating "satisfied" or "very satisfied" on employee survey

Purpose/Description:

This measure provides an indication of overall employee satisfaction with the Corporation. Employee satisfaction is considered a good indicator of the well being of the corporate working environment.

Methodology:

This measure tracks the percentage of respondents who select "satisfied" or "very satisfied" in response to the following question on the employee survey: "Overall, how satisfied are you with BCBC at the present time". The measure is supplemented with an "employee index" which

provides the average response to all questions on the employee survey. The survey is conducted by an external consultant, and the subsequent report is retained by the Human Resources Department.

Baseline and Targets:

Baseline – 2000	*Actual – 2003*	*Target – 2004*	*Target – 2005*	*Target – 2006*
63%	N/a*	66%	-	75%

* Employee survey deferred to 2003/04

Target Rationale:

The employee survey originally planned for 2002/03 was deferred to 2004, due to corporate restructuring, and the 2003-06 Service Plan targets have been realigned accordingly. Achievement of the target for 2004 (an improvement over the baseline satisfaction result) will be a significant accomplishment, especially in light of the changes currently underway within the Corporation.

Benchmark:

The Corporation continues to compare itself against, and target to remain above, the current (2002) Work Canada benchmark for this measure (assembled by Watson Wyatt LLP.)

Data Source:

Independent Employee Opinion Survey.

Reporting Frequency:

Annually. (Decision taken during year to conduct an annual survey – previously done biennially.)

Responsibilities:

- Measure Reporter – Wayne Jensen
- Data Custodian – Wayne Jensen (Jackie Smith)
- Performance Manager – Corporate

4.4.b Rate of absenteeism

Purpose/Description:

Absenteeism provides an indication of workforce wellness and morale. This measure monitors the level of paid sick leave in the BCBC workforce. This measure will be benchmarked against similar organizations.

Methodology:

The measure includes full-time, part-time and temporary employees, excluding contractors and subcontractors and is reported quarterly, on a fiscal year-to-date basis. The rate is total paid sick hours expressed as a percentage of total work hours worked for the reporting period. The sick hours paid total does not include maternity leaves, WCB leave, special leave and unpaid leave.

Baseline and Targets:

Baseline – 2001/02	*Actual – 2002/03*	*Target – 2003/04*	*Target – 2004/05*	*Target – 2005/06*
2.6%	2.9%	< 3%	< 3%	< 3%

Target Rationale:

The Corporation has historically maintained a low rate of absenteeism (five-year average of 2.7%), in comparison to other organizations. Given the transformational change facing BCBC over the next few years, it will be challenged to maintain this level below 3%.

Benchmark:

Results are benchmarked both internally (against past performance) and externally against other organizations. External benchmark information is obtained from the Canadian Institute of Business and Human Capital Development/Wynford Group (Saratoga Institute) annual benchmarking report. The most recent benchmark information (based on 2002 results from the Institute's 2003 Report) for professional service organizations is 7.5 days (2.8%), for public sector organizations is 8.5 days (3.3%) and for government agencies is 8.8 days (3.4%). Comparisons will also be made against the BC government rate, which for 2003 calendar year was 8.3 days (3.2%) per FTE.

Data Source:

Human Resources Information System.

Reporting Frequency:

Quarterly.

Responsibilities:

- Measure Reporter – Wayne Jensen
- Data Custodian – Wayne Jensen (Julia Free)
- Performance Manager – Corporate